

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR.

Governor

GARY R. HERBERT Lieutenant Governor

March 19, 2007

Mr. Pete Raymond, contact for Thirstystone Resources, Inc. 860 East 19th St. Tucson, AZ 85719-6615

Subject:

Reclamation Surety and Reclamation Contract, Thirstystone Resources, Inc., Picture Springs 1 & 2 and Black Ridge 1, S/053/028 and S/053/027, Washington

County, Utah

Dear Mr. Raymond:

On March 9, 2007, the Director of the Division of Oil, Gas and Mining signed the reclamation contract for the Black Ridge #1 and the Picture Springs Mine Projects Notice of Intention to Conduct Mining, file numbers S0530027 and S0530028. You now have Division approval of the form and amount of surety for the above referenced sites. A copy of the executed reclamation contract/surety is enclosed for your records. Thank you for your help in completing this very important regulatory requirement.

This action has made it possible for your existing reclamation surety to be in place with the Division, however you should note that your Notices of Intent are out of date and need to be corrected and updated with current information. We have enclosed a new form (MR-SMO) to update each of your NOI's. Please complete the forms and return them within the next 30 days (please note that the \$150 permit fee is not required at this time since you have previously paid it for this year). Once we determine the information is complete, we will stamp them approved and return a copy to you.

If you have questions or concerns regarding this letter, please contact me at (801) 538-5325.

Sincerely,

Daron R. Haddock Environmental Manager

Haddock

Minerals Regulatory Program

DRH:pb

Enc: Surety & Reclamation Contracts, MR-SMO forms

cc: Beth Ericksen, DOGM w/o

Opie Abeyta, BLM, (opie abeyta@blm.gov) w/o

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